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SUBJECT: INAUGURATION OF ECUADOR'S CONSTITUENT ASSEMBLY

Classified By: Charge d'Affaires Jefferson Brown for reason 1.4 (b)

11. Summary: (SBU) The Constitutional Assembly, charged with writing Ecuador,s twentieth Constitution, was inaugurated on November 29. Declaring itself &the highest authority in Ecuador8, the Assembly suspended congress, retained President Correa and Vice President Moreno, and fired two key Correa opponents. PAIS displayed its power, but allowed some inclusion of other parties within the Assembly's governing board.

## INSTALLATION AND ELECTION OF AUTHORITIES

- 12. (U) The Constituent Assembly (CA) was inaugurated on November 29 in Montecristi, the small coastal town symbolically important as the birthplace of national hero Eloy Alfaro. Amidst embarrassing technical audio problems, the inauguration session began with 128 out of the 130 assembly members in attendance. Anabella Azin and Alvaro Noboa, the leaders of the Institutional Renewal Party of National Action (PRIAN), were absent. For the inaugural ceremonies, all South American presidents were invited; only President Uribe came, arriving together with Correa and accompanying him throughout the events.
- ¶3. (U) President Correa,s Proud and Sovereign Fatherland Movement (PAIS) first use of its power came when its assembly members refused to accept any modifications to the rules for the installation of the assembly that were proposed by other parties.
- 14. (U) The three largest vote-getters, all representing PAIS, were elected to the top three executive posts: Alberto Acosta (President), Fernando Cordero (first vice president), and Aminta Buenano (second vice president). Opposition minority parties attempted to win at least one of the vice presidential position: Catalina Ayala, of the largest opposition party, the Patriotic Society Party (PSP), was nominated, but could only muster 21 votes. Mae Montano of A New Option (UNO), was also nominated but fell short.
- 15. (U) The governing board of the assembly was completed with the election of two representatives of political parties that are close to the government: Jorge Escala, representative of the far-left Democratic Popular Movement (MPD) and Martha Roldos of the center-left Ethical and Democratic Network (RED).
- 16. (SBU) PSP assembly member Fausto Lupera told PolChief on November 27 that he considered at least 60 percent of PAIS assembly members mediocre, with little knowledge of the law

and easily manipulated by Correa. RED assembly member Leon Roldos was not surprised about PAIS,s attempt to capture all executive seats on the governing board, noting that "majorities have always imposed themselves." The press quoted Acosta,s speech, "Minority members must understand the new historical movement that Ecuador lives. They must assimilate that their proposal was not accepted by the large majority."

CONGRESS GONE, NOTION OF &FULL POWERS8 AFFIRMED

- 17. (U) Most senior government officials, including President Correa, Vice President Moreno and all ministers, sent letters to the Assembly offering their resignations and placing their positions in the Assembly, s hands.
- ¶8. (U) The Constituent Assembly closed the opening session by approving the first of what they are calling "constitutional mandates." Article One of the mandate stated that the Constituent Assembly "according to popular mandate given on April 15, 2007, assumes and exercises constitutional power with full powers." The rest of the document structures the new legal order, including a clause stating that those who do not observe the Assembly,s resolutions may be punished with expulsion.
- ¶9. (U) The 11 articles of the first constitutional mandate were approved one at a time. According to the press, the "yea" votes by article ranged from 90 to 107, which implied that they enjoyed some support from minority parties. However, some members of the opposition claimed to be unaware of the document's contents. Martha Roldos (RED), who received PAIS support for her candidacy for a seat on the governing board, declared: "Honestly, we, the minorities, did not know about the first constitutional mandate. It came as a surprise to us, but it was interesting that we managed to have the voting done on an article by article basis."
- 110. (C) As was expected, the Constituent Assembly assumed all legislative functions. Article Seven of the constitutional mandate declared the recess of congress, effective immediately, until the official results of the referendum to approve the new constitution are published. Congress is specifically prohibited from deciding to convene itself, and deputies lost their privileges and salaries. The recess cannot be challenged in court. On November 28, Congress had resolved to start its legislative recess on November 29 instead of December 3 as was scheduled. According to the Constitution, Congress goes on recess twice a year for a month. Sessions would have resumed on January 3. Many deputies in Congress remain intent on preserving Congress' right to continue to operate, arguing that its suspension is contrary to the current constitution, and a few sought USG support in their effort. RED deputy Gonzalo Perez told PolChief on November 27, "what we need is a strategy, and we need the United States to help us formulate it. 111. (SBU) Local authorities were ratified to continue in their offices, but the text noted that the new electoral calendar may alter their original terms. The constitutional mandate also retained the judges in the Supreme Court; the members of the National Council of the Judiciary, the Constitutional Tribunal, and the Supreme Electoral Tribunal will also continue in their posts "unless the Constituent Assembly resolves otherwise." Comptroller General Carlos Polit, formerly a member of Lucio Gutierrez's government, was reaffirmed - a positive nonpartisan signal in recognition of his well regarded efforts against corruption. While President Correa and Vice President Moreno, s constitutional terms were ratified, the terms of seven other officials were terminated, including Attorney General Jorge German and Superintendent of Banks Alfredo Vergara, both of whom are opponents of President Correa. Both officials obeyed and abandoned their offices on November 30. COMMENT

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 $<sup>\</sup>P12$ . (C) The Constituent Assembly poses opportunities as well as risks. There is hope that the assembly will adopt

meaningful reforms in several key areas, including the creation of less politicized and more transparent judicial and electoral bodies, more equitable distribution of government resources, a legislative branch designed to be more responsive and accountable to constituents, and the creation of a more independent and efficient Central Bank. However, the specter of centralization of power and nationalist decisions looms large. And while Correa claims to be in favor of presidential term limits (two terms), the Assembly may decide otherwise. Commentators also worry that the Assembly will try to take on too much. Given that it now has legislative authority for the country, while simultaneously trying to rewrite the Constitution, they may, in the words of Byron White, try to go "too far, too fast." BROWN